

Sullivan County NH

Type of Meeting: Sullivan County Convention
Date / Time: June 29, 2007 / 9:00 am
Place: Sugar River Valley Regional Tech Center
Lou Thompson Room

Participants:

Representatives: Peter Franklin (Chair), Ray Gagnon (Vice-Chair), Ellen Nielsen (Clerk), Larry Converse, John Cloutier, Tom Donovan, Brenda Ferland, Sue Gottling, Matthew Houde, Arthur Jillette, Jay Phinizy, Beverly Rodeschin and Carla Skinder
Commissioners: Ethel Jarvis, Ben Nelson and Jeff Barrette
Elected Officials and County Employees: Sherrie Curtis, Laurie Geer, Ed Gil de Rubio, Mark Hathaway, Jan Hughes, Sharon Johnson-Callum, Sharron King, Michael Prozzo, Dodi Violette, Seth Wilner and Scott Wojtkiewicz
Public Participants: Helen Charpentier and Donald Clarke
Press and Media: Aaron Aldridge and Peter Martin

The County Convention was called to order by Rep. Franklin at 9:15 am.

Agenda Review:

1. Open Meeting – Welcome & Introductions
2. Minutes: Review & Approve
 - June 11, 2007
3. Public Comments on Proposed FY 08 Budget
4. Report from Executive Finance Committee
5. Presentation and Consideration of the Proposed County Budget
6. Any other Old Business
7. Any other New Business
 - Motion to accept and expend funds
 - Motion for transfer of funds, RSA 24:14.I
 - Any other new business
8. Adjourn Meeting

County Employees and elected officials introduced themselves and were welcomed by the Chair.

Rep. Converse moved that the minutes of the delegation meeting of June 11 be accepted. Rep. Jillette seconded this motion. The minutes were accepted by voice vote, with Reps. Ferland and Rodeschin abstaining, because they had been absent for that meeting or part of that meeting.

Rep. Franklin invited public comments on the 2008 budget; there were none.

Report of Executive Finance Committee:

Rep. Ferland presented a report from the Executive Finance Committee. She stated that the committee had met several times since the budget hearing on June 12, but had been unable to approve the Commissioner's budget which was presented on that day,

and had been unable to complete the task of revising that budget. However, the EFC expects to be able to recommend a revised budget to the delegation by July 13, and requests that a delegation meeting be scheduled for that day. Therefore, Rep. Ferland moved that the delegation pass a continuing resolution which would allow the county to meet payrolls and provide essential services after the end of the 2007 fiscal year on June 30. Rep. Donovan seconded this motion, and Rep. Ferland spoke to the motion. Discussion followed. Several members of the EFC noted that although the EFC had met a number of times, and a quorum had been present for at least part of each meeting, there had been many last minute changes, including ending the nursing home management contract with Genesis. The EFC members had discussed the concept of a continuing resolution and several stated that they were in favor of such a resolution. However, no member of the EFC except Rep. Ferland had seen the text of the resolution which was presented to the delegation, because it had been drafted that morning. Members of the delegation reached a consensus that the resolution needed to be approved by the EFC before being voted on by the full delegation. Also, several changes in wording were suggested by representatives. Since County Attorney Mark Hathaway was present, he was asked to review the resolution.

Rep. Rodeschin moved that the motion for a continuing resolution offered by Rep. Ferland be put on the table. The motion was seconded by Rep. Gottling. The motion passed.

While the county attorney reviewed the handwritten text of the continuing resolution drafted by Rep. Ferland, the delegation continued to discuss the current state of the county finances. Rep. Franklin asked several questions related to the cash flow document provided a few weeks earlier by the accountant, Jeff Graham. We learned that the figures for the anticipated revenues from Pro-Share had been not accurate—the county received \$475,000, not \$740,000. It had been necessary to borrow an additional \$500,000 because the Pro-Share payment did arrive on 6/28, but not in time to cover the last payroll for the fiscal year. Rep. Franklin expressed his concern that the county had borrowed \$2,500,000 with no way to repay the loan. Rep. Donovan agreed that the delegation needs to have a better understanding of what happened in fiscal 2007 in order to avoid going deeper into debt in fiscal 2008.

At this point, the county attorney had finished reviewing the text of the proposed continuing resolution, and Rep. Houde asked him to give the delegation his findings. Mr. Hathaway stated that if the convention did not approve the commissioner's budget or pass a continuing resolution, the county would not be able to pay bills or do other financial business. Also, he stated that the resolution required some changes in wording.

Rep. Donovan moved that the convention be recessed for a short time to allow the EFC to meet for the purpose of amending the proposed continuing resolution. Rep. Ferland seconded the motion. Rep. Franklin suggested that the delegation, as a committee of the whole, rather than the EFC, should draft a different continuing resolution. Rep. Rodeschin suggested that the ex-officio members of the EFC meet with the EFC during the recess. Several representatives requested a vote on Rep. Donovan's motion for a recess so that the EFC could meet. The motion passed, 12-1.

The convention recessed at approximately 10:15 am. During the recess, the voting members of the EFC (Reps. Ferland, Cloutier, Converse, Donovan and Gottling), joined

by the ex-officio members of the EFC (Reps. Franklin, Gagnon and Nielsen) and assisted by County Attorney Hathaway, met to draft an amended version of the proposed continuing resolution.

The convention was again called to order at 11:15 am. Rep. Donovan moved that the motion by Rep. Ferland for a continuing resolution be taken off the table, and Rep. Cloutier seconded this motion. The motion passed unanimously. Rep. Ferland moved to amend her original resolution by replacing the whole with the following words:

A resolution making temporary appropriations for the expenses and encumbrances of the County of Sullivan:

Whereas, a budget has not been enacted for the fiscal year 2008 and

Whereas, action at this time is necessary to carry out the functions of county government after fiscal year 2007 and prior to enacting said budget acts, now therefore be it resolved by the Sullivan County Delegation convened:

A. That the County Commissioners and elected officials expend funds to continue the necessary operations of the County.

B. The authorization provided in this resolution shall be deemed to be the County Convention's 2007 sums necessary to discharge obligations.

C. This resolution shall take effect July 1, 2007 and continue in effect until an operating budget is enacted, but no later than September 1 of 2007.

D. The Delegation appropriates two million dollars to be expended for the necessary operations of the County.

The motion by Rep. Ferland was seconded by Rep. Rodeschin. Discussion followed. Rep. Franklin and Rep. Phinizy said that the continuing resolution should include an authorization for the commissioners to borrow money, since any revenues coming in during the period will be use to pay for fiscal 2007 expenditures. Rep. Ferland then offered a "friendly amendment" to her proposed amended resolution to allow borrowing. The motion to amend was seconded by Rep. Rodeschin and was passed by a voice vote. Rep. Franklin moved that the words "and encumbrances" be removed from the amended resolution. The motion was seconded by Rep. Converse. Discussion followed. Rep. Gagnon said that the real issue is to come up with a budget for fiscal 2008. Rep. Rodeschin said that she wanted to move that the convention adopt the commissioners' 2008 budget. Rep. Franklin pointed out that there was a motion on the floor (the motion to strike "and encumbrances"). Rep. Phinizy moved the question and Rep. Houde seconded this motion. The motion to strike "and encumbrances" passed 8-5.

Rep. Rodeschin again said that she wanted to move that the convention accept the commissioner's 2008 budget and was again told by the chair that there still was a motion on the floor. Rep. Franklin asked if there was further discussion of the motion for a continuing resolution, as amended, which now reads as follows:

A resolution making temporary appropriations for the expenses of the County of Sullivan:

Whereas, a budget has not been enacted for the fiscal year 2008 and

Whereas, action at this time is necessary to carry out the functions of county government after fiscal year 2007 and prior to enacting said budget acts, now therefore be it resolved by the Sullivan County Delegation convened:

- A. That the County Commissioners and elected officials expend funds to continue the necessary operations of the County.
- B. The authorization provided in this resolution shall be deemed to be the County Convention's 2007 sums necessary to discharge obligations.
- C. This resolution shall take effect July 1, 2007 and continue in effect until an operating budget is enacted, but no later than September 1 of 2007.
- D. The Delegation appropriates and allows borrowing of up to two million dollars to be expended for the necessary operations of the County.

Hearing no further discussion of the proposed continuing resolution, Rep. Franklin called for a vote. Rep. Cloutier requested a roll call vote. The motion passed, with the representatives voting as follows:

- YES: Cloutier, Converse, Donovan, Ferland, Franklin, Jillette, Phinizy, Gagnon, Gottling, Houde; Nielsen
- NO: Rodeschin; Skinder

Consideration of the Proposed County Budget:

Rep. Rodeschin moved that the convention approve the commissioners' proposed budget of \$27,629,657.00 for fiscal year 2008. Rep. Skinder seconded the motion.

There was extended discussion of this motion:

Rep. Ferland said that she understood the frustration but said that she had already cancelled her vacation and scheduled four EFC meetings during the coming week. During the previous two weeks, many members of the delegation were required to be in Concord, but now they are free to work on the county finances.

Rep. Donovan echoed Rep. Ferland's remarks and invited Rep. Rodeschin to participate in the work of the EFC during the coming week.

Rep. Phinizy said that he supports Rep. Rodeschin's motion.

Rep. Converse said that the whole delegation should meet to work on the budget.

Rep. Houde asked if at this time the commissioners would recommend any changes in the budget.

Comm. Barrette said despite some last minute policy changes he is comfortable with the budget—the money which was to be appropriated for contracted services [from Genesis] will be used for nursing services.

Comm. Jarvis stated that she has one concern—after further study she believes the commissioners may have overestimated the average daily census of residents at the nursing home, and therefore may have overestimated the revenue from the nursing home.

Comm. Nelson said that he is comfortable that the money which was expected to be spent for contracted services will cover the cost of a transition plan, and that he believes we can work to increase the census.

Rep. Houde asked if it would be possible to amend the budget and vote on it at this convention.

Rep. Franklin asked for more details about the nursing home census. Comm. Jarvis responded that the projected census had been 151, but there usually were not this many residents at the nursing home. Mr. Gil de Rubio said this goal was reached in two or three months out of twelve.

Rep. Phinizy asked if the commissioners wanted to amend the census projection and thereby amend the budget.

The commissioners first asked for a short recess and then suggested that the convention break for lunch. After a few more minutes of discussion Rep. Franklin asked for and obtained a consensus about breaking for lunch. Mr. Gil de Rubio reminded the convention that the county office was hosting a lunch barbecue for a cost of \$4.00. The convention was recessed for lunch at 12:20 and participants were asked to re-convene at 1:15.

The convention was called to order at approximately 1:20 pm. During the recess, the commissioners had prepared some figures, based on a change in the projected census at the nursing home. Assuming that the projected average daily census is reduced from 151 to 147 (3 Medicaid patients and 1 Medicare patient) the projected revenues would be reduced by \$313,995.00. It is unlikely that a reduction in the patient census would result in any reduction of expenses. Several people pointed out that this reduction in revenue is not significant in relation to the total budget. However, it may be necessary to make other adjustments. Commissioner Barrette noted that the cost of the employee's health and dental insurance went up by \$600,000 this year.

Discussion of Rep. Rodeschin's motion to accept the commissioners' proposed budget continued. Some representatives felt it was important to come out of the convention with a budget, in order to support the commissioners and restore public confidence in the county government, while others felt that since the convention had passed a continuing resolution, there would be time for the EFC to complete its work of reviewing the commissioner's budget, and perhaps to identify ways in which it could be cut. It was pointed out that the EFC had already put in a lot of time and work, and that it is the duty of the EFC and the delegation to scrutinize the county budget.

Rep. Phinizy asked to move the question—to vote on the motion to accept the commissioner's budget of \$27,629,657.00 for fiscal year 2008. Rep. Franklin asked if more people wanted to comment before voting. Rep. Rodeschin asked if it would be necessary to state in the motion how much money would be raised by taxes. Rep. Ferland offered a "friendly amendment" to the motion, adding the amount to be raised by taxes—\$10,594, 871.00. Rep. Phinizy seconded the motion to amend, and the motion passed. Rep. Skinder asked to move the question, and Rep. Phinizy seconded the motion and requested a roll call vote. The motion failed 4-9, with representatives voting as follows:

- YES: Phinizy, Rodeschin, Houde and Skinder
- NO: Cloutier, Converse, Donovan, Ferland, Franklin, Jillette, Gagnon, Gottling and Nielsen

Rep. Gagnon then moved that that the EFC should meet, along with other members of the delegation, to continue its work, and report back to the full delegation on July 13. Rep. Donovan seconded the motion. An extended discussion about how much participation by other delegation members in the work of the EFC is appropriate followed this motion. Some felt that participation by most of the representatives would streamline the work and reduce the number of meetings required for the delegation to act on the budget. Others thought that a larger working group would work more slowly, and pointed out that a committee of the whole would require seven members to have a quorum. Rep. Ferland asked Rep. Gagnon to consider withdrawing his motion. After further discussion, Rep. Gagnon withdrew his motion.

Other New Business:

Rep. Cloutier moved that the commissioners be allowed to accept and expend funds while the continuing resolution is in effect. Rep. Phinizy seconded the motion. Sheriff Prozzo explained that he was expecting some State and Federal law enforcement grants. The motion passed by a voice vote.

Rep. Converse moved that the commissioners be required to get written permission from the EFC for transfers of funds. Rep. Gottling seconded the motion. There was disagreement about whether such a requirement should apply to transfers from one line item to another or only to transfers from one fund to another. Rep. Donovan suggested that instead of passing this motion, the delegation and the commissioners should work together to create a memorandum of understanding regarding the transfer of funds.

Rep. Phinizy called the question and requested a roll call vote on the motion by Rep. Converse. The motion failed, 2-8, with representatives voting as follows:

- YES: Converse and Franklin
- NO: Cloutier, Donovan, Jillette, Phinizy, Gagnon, Gottling, Houde and Nielsen

Rep. Donovan moved that the chair appoint a committee to work with the commissioners to develop a letter of understanding regarding transfers of funds. Rep. Gottling seconded this motion. Rep. Franklin asked for discussion and hearing none, called for a vote. The motion passed by a voice vote.

Rep. Franklin appointed Reps. Donovan, Gottling and Houde to the committee. Rep. Cloutier then suggested that the meeting be recessed until Friday, July 13, at the commissioners' office. The convention was recessed at approximately 3:00 pm.

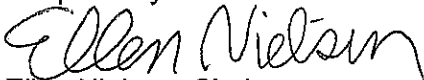
Next Steps:

Executive Finance Committee meetings at the Newport County Complex:

- Monday, July 2 at 1:00 pm
- Tuesday, July 3 at 10:00 am
- Thursday, July 5 at 10:00 am
- Friday, July 6 at 10:30 am

Full Delegation Meeting on Friday, July 13 at 10:00 am at the Newport County Complex

Respectfully submitted



Ellen Nielsen, Clerk